



2015 Year in Review

From the perspective of the Caux Round Table (“CRT”), the two memorable events of 2015 were international. First, the U.N. General Assembly adopted 17 new Sustainable Development Goals (“SDGs”) and secondly, the governments of the world made commitments to reduce humanity’s production of greenhouse gases, which are believed to contribute to climate change.

Our focus throughout the year was to help in the effort to adopt and then implement the SDGs. Both the ethical premise of the SDGs and their specific goals and targets ratified the CRT’s moral stance that good stewardship of economic assets and business opportunities is both possible and necessary as the norm of global capitalism in our time.

We are immodest, if you will indulge us, in the observation that our 1994 Principles for Business as the foundation for a practical moral capitalism paved the way intellectually for this new global “mindset” of more becoming responsible on the part of business and private capital.

The CRT agenda, as adopted by our board of directors in December 2014, proved to be timely and appropriate as the events of 2015 unfolded.

The way to a moral capitalism was proposed to follow this sequence:

Principles → Vision → Action

Where there are no principles, there is no vision.

Where there is no vision, there is a lack of right action.

Finding principles is the beginning of leadership.

The CRT board concluded that:

Our global community is filled with frustrations: over slow economic growth, over inequalities of income and wealth, over breakdowns of respect for others, over climate change, over political systems that seem inept or unresponsive in facing these challenges.

Leaders commit themselves and take effective action. Commitment and action arise from belief and conviction, from a vision of a better future. Belief and conviction stand on having good ethical principles.

The CRT advocates global ethical principles which drive the belief and conviction which call forth commitment and action.

The CRT agenda, therefore, should be in practical terms:

- 1) Provide Principles
 - a. Principles for Responsible Business
 - b. Principles for Government
 - c. Principles for Civil Society Organizations
 - d. Principles for the Ownership of Wealth
- 2) Justify Principles
 - a. Draw on global wisdom traditions of different cultures and religions
- 3) Promote Principles
 - a. Monthly newsletter *Pegasus*
 - b. Round tables
 - c. Training programs
- 4) Implement Principles
 - a. Arcturus for companies
 - b. Decision style inventory for individuals

In line with this agenda and with generous support from the Thai Sustainable Development Foundation, the CRT convened 20 round tables in major cities around the world through which to prepare a *White Paper and Call to Action* for the U.N. and business leaders. The white paper was intended to highlight at the level of principle and vision the “goodness” of the SDGs as a means to enhance motivation to action in their implementation.

What we promised to accomplish in 2015 was accomplished. We are very grateful to all our colleagues and partners around the world who made the round tables possible and to all whose ideas and reflections contributed to a white paper of great quality and deep insight.

Our white paper has led to invitations from the U.N. Economic and Social Council leadership to support their work in monitoring implementation of the SDGs.

The white paper included a call to action for business owners and managers. As the CRT has maintained from its first meeting at Mountain House in Caux, Switzerland in 1986, ethics in business, under whatever name: corporate social responsibility, sustainable development, moral capitalism, etc., does not come without intentional effort. Ethics in business, as elsewhere in life, is not instinctive with human nature but is only latent there as a possibility to be awakened by the will responding to an energized moral sense.

New Book *The Road to Moral Capitalism*

In line with its agenda, the CRT distributed a new book by Steve Young, its Global Executive Director, to encourage those in business everywhere to gain confidence in their ability to lead ethically in markets and with the employment of private capital. The new book is titled *The Road to Moral Capitalism*.

Public Benefit Corporation

A new form of corporation – the public benefit corporation – was created in Minnesota by the State legislature. The CRT had taken the lead in proposing the concept as a better legal vehicle to be used for moral capitalism and was deeply involved in drafting the legislation.

The King's Award

To encourage more leadership at the board level of companies of all sizes, the CRT, with its affiliate in Thailand, decided to seek funding to launch a global award for adoption of the principles of moral capitalism as expressed in standards for sustainable development. This recognition award will take a risk in recognizing the adoption of vision and the setting of mission. Thus, it will not be a data-driven metric of results.

It follows on our belief that in ethics and responsibility, the starting point is having values and setting a course in life. A second level of assessment is that of utilitarian results.

Of course, in the long run, both ideals and results should be in alignment and present in our practices of living well through a vocation of betterment for ourselves and for others.

Arcturus

During the year, the CRT licensed use of two new versions of its Arcturus company assessment questionnaire to Magni Asset Management, LLC. The first version was an Islamic stewardship assessment. This assessment goes beyond formalistic compliance with Sharia instructions on non-meritorious goods and services to embrace the high ethical purposes of service implied by the status given by Qur'an to all human persons of standing firmly and justly as *khalifa* or interim stewards of God during our time in this world.

The second version was a company stewardship assessment highlighting a company's alignment with Catholic Social Teachings on respect for human dignity, subsidiarity in decision-making and concern for the common good, solidarity with stakeholders and faithfulness to the common wealth resulting from our individual economic endeavors.

Global Dialogue

The Global Dialogue (annual meeting), the 30th such meeting of consideration of vital global economic issues, was held in June at Mountain House in Caux, Switzerland. The dialogue was made part of the series of global round tables discussing the proposed SDGs and its conclusions incorporated into the white paper mentioned above. Thanks to the high quality of its participants, the Global Dialogue broke new ground in laying out levels of inspiration, which illuminate sustainable development.

Special Program and Reception in Honor of Brian Atwood

In June, the CRT, along with about a dozen other local organizations, honored Brian Atwood, CRT World Advisory Council member and former Chairman of OECD's Development Assistance Committee, on the occasion of his retirement and for his long and distinguished service to the state and country.

John Brandl's Uncommon Quest for Common Ground

In September, the CRT, in partnership with the Center of the American Experiment, Citizens League and Growth & Justice, held the seventh annual celebration of John Brandl's Uncommon Quest for Common Ground. This year's program was "Magna Carta Remembered: 800 Years of Seeking Common Ground Under the Rule of Law," and included as speakers Minnesota Supreme Court Justice G. Barry Anderson and former Justice Paul Anderson.

Kenyan Government Leaders Delegation

In November, the CRT hosted a small group of government leaders from Kenya for various meetings and sessions around moral government.

Monthly Newsletter *Pegasus*

Twelve issues of *Pegasus* were published. Some notable highlights were the following articles: resolutions on sustainable development from our round table in Kuala Lumpur (August issue); resolutions on sustainable development from our round table in Beijing (August issue); Pope Francis on "diseases" of bureaucracy (February issue); and McKinsey Global Institute on productivity and global growth with the demographics of aging populations (May issue).

Business and Public Policy Round Table

In Minnesota, the following round table events were held:

- "War on Poverty or War on Work?" with Michael Tanner of the Cato Institute (held in partnership with the Center of the American Experiment and Minnesota Jobs Coalition)
- A discussion about Minnesota's new Public Benefit Corporation with Kim Lowe of Fredrikson & Byron, Jeff Ochs of Gopher Angels and Rob Scarlett
- Open discussion about Abraham Lincoln's life and what it means for our time
- Open discussion about the changing nature and future of work
- "The New U.N. SDGs" with Tim Odegard of the Minnesota International Center, Bharat Parekh of the U.N. Association of Minnesota and Dave Wilsey of the Humphrey School of Public Affairs

Academy of Public Service

Two sessions of the Academy of Public Service were held, one at the Humphrey School of Public Affairs and the other for the Kenyan government leaders delegation.

Website and Social Media

The CRT's website was visited by more than 21,000 people during the year. Mr. K.L. Lam and Chan Corner of Cornerstone Ltd. in Malaysia provided the highest quality administrative and technical support for the site.

New posts on relevant subjects were frequently added to our Facebook and Twitter pages and a number of short YouTube videos were also produced.

Affiliations

The CRT also deepened its affiliations with the Center for International Business Ethics in Beijing, China; the World Business Council for Sustainable Development; the Wittenberg Center for Ethics; Cemefi in Mexico City; Loyola Marymount University; Singapore Institute of Directors; Center for Integrity in Nairobi, Kenya; and the Volcker Alliance.

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